## AMENDED IN SENATE JUNE 17, 2010 AMENDED IN SENATE MAY 17, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

## ASSEMBLY BILL

No. 2777

Introduced by Committee on Transportation (Eng (Chair), Jeffries (Vice Chair), Bill Berryhill, Blumenfield, Buchanan, Furutani, Galgiani, Bonnie Lowenthal, Miller, Niello, Norby, Solorio, and Torlakson)

(Coauthor: Assembly Member John A. Pérez)

March 1, 2010

An act to amend Section 64103 Sections 64103 and 14529.01 of, and to repeal Sections 8588.4, 14053, and 14529.15 of, the Government Code, to amend Section 99170 of the Public Utilities Code, and to amend Sections 1808.1, 5007, 5023, 5024, 5060, 5160, 8202, and 22511.5 of the Vehicle Code, relating to vehicles transportation.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2777, as amended, Committee on Transportation. <del>Vehicles: Department of Motor Vehicles: omnibus bill. Transportation: omnibus bill.</del>

(1) Existing law establishes the California Transportation Financing Authority, which consists of 7 members, with all powers reasonably necessary to carry out the powers and responsibilities expressly granted or imposed under the California Transportation Financing Authority Act. The act requires that 4 members of the authority—constitutes constitute a quorum and that the affirmative vote of a quorum of the members present at a duly constituted meeting of the authority is necessary for any action taken by the authority.

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This bill would instead require that an affirmative vote of a majority of the members present at a duly constituted meeting of the authority is necessary for any action to be taken by the authority.

(2) Existing law imposes on the employer of a driver who drives one of several specified vehicles, including a vehicle for the operation of which the driver is required to have an ambulance driver certificate, as specified, several requirements related to the driver's public record. A violation of those requirements is a crime.

This bill would correct an erroneous cross-reference.

(3) Under existing law, the Department of Motor Vehicles is required, upon application and without additional fees, to issue a special license plate or plates to a disabled person or disabled veteran, in accordance with procedures adopted by the department. Existing law also provides that organizations and agencies involved in the transportation of disabled persons or disabled veterans may apply for a distinguishing placard for each vehicle that is used for the purpose of transporting disabled persons or disabled veterans.

Existing law allows a disabled person or disabled veteran displaying special license plates issued under the above provisions or a distinguishing placard issued under other specified provisions of the Vehicle Code to park for unlimited periods in any of a number of specified parking zones.

This bill would make technical, nonsubstantive changes to these provisions.

(4)

(2) Existing law authorizes specified persons to apply for a set of commemorative Olympic reflectorized license plates and the Department of Motor Vehicles is required to issue those special license plates in lieu of regular license plates. Existing law requires that the commemorative Olympic reflectorized license plates be of a distinctive design and available in a special series of letters or numbers, or both, as determined by the department after consultation with the United States Olympic Committee.

Existing law authorizes specified persons to apply for a set of commemorative collegiate reflectorized license plates, and the department is required to issue those special license plates in lieu of the regular license plates. Existing law requires that the collegiate reflectorized license plates be of a distinctive design, and available in a special series of letters or numbers, or both, as determined by the department.

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This bill would authorize the department to also issue those commemorative reflectorized license plates as environmental license plates in a combination of numbers or letters, or both, as requested by the owner or lessee of the vehicle.

(3) Existing law requires all organizations participating in a special interest license plate program and state agencies authorized to offer specialized license plates to submit an annual accounting report to the Department of Motor Vehicles that includes an accounting for all revenues and expenditures associated with the program. Existing law requires the department to prepare and transmit an annual consolidated report containing the revenue and expenditure data to the Legislature.

This bill would repeal the annual consolidated report requirements for the department.

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(4) Existing law allows any registrant issued apportioned fleet registration, 20 days to file a written request for a hearing following a determination by the Department of Motor Vehicles that fees are due, including penalties and service fees, for the operation of a fleet of apportionately registered vehicles and requires that a lien be placed upon all vehicles operated as part of the fleet and on any other fleet vehicles operated by the registrant.

This bill would extend the time to file a written request for a hearing to 30 days in order to conform to federal law.

(5) This bill would also delete obsolete provisions, correct an erroneous cross-reference, and make other technical, nonsubstantive changes to related transportation provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:* 

- 1 SECTION 1. Section 8588.4 of the Government Code is 2 repealed.
- 3 8588.4. (a) The California Highway Patrol in cooperation with 4 the Office of Emergency Services and the California National
- 5 Guard and in consultation with the United States Coast Guard and
- 6 all relevant federal, state, and local transportation and law
- 7 enforcement agencies, shall perform a risk assessment of
- 8 California's transportation system. The scope of this assessment
- 9 shall include, but not be limited to, the transportation infrastructure

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1 within the scope of the California Highway Patrol's responsibilities.

- 2 The assessment may not necessarily involve an inspection or
- 3 examination of each individual facility and service but rather an
- 4 overview of any risk that may exist within California's
- 5 transportation system. For each potential threat or security deficiency identified in the risk assessment, there shall be included
- 7 one or more recommended measures to mitigate those risks.
  - (b) The California Highway Patrol shall submit a confidential report of its findings and recommendations to the Governor, the Speaker of the Assembly, the President pro Tempore of the Senate, the minority leader of the Assembly, and the minority leader of the Senate not later than January 1, 2003.
- 13 SEC. 2. Section 14053 of the Government Code is repealed.
  - 14053. (a) It is the intent of the Legislature, in enacting this section, to establish an advisory body that, among other things, develops recommendations on ways to upgrade and modernize the data automation system within the department in a manner that enables the department to track the status of specific transportation projects and closely monitor the use of federal transportation funds, and includes other features that foster efficiencies in the delivery of transportation projects in this state. It is the intent of the Legislature that the advisory body established under this section develop a plan that focuses on ways to complement existing efforts within the department to upgrade the department's internal data automation system.
  - (b) (1) The department shall provide staff support for a management information system committee.
  - (2) The secretary shall designate the chairperson of the committee and shall appoint representatives to the committee from all of the following:
- 31 (A) The commission.
- 32 (B) The Department of Information Technology.
- 33 (C) Counties.
- 34 (D) Cities.

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- 35 (E) Agencies responsible for approving each county's 36 submission to the state transportation improvement program.
- 37 (F) Designated, multicounty regional transportation planning 38 agencies.
- 39 (G) The department.

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(3) The committee shall develop a plan for a management information system for project monitoring and project delivery purposes. The plan shall specifically deal with the issue of closely monitoring the use of federal transportation funds, including, but not limited to, those funds that are made available through the federal Regional Surface Transportation Program and the federal Congestion Management and Air Quality program to ensure full and timely use of those funds under subdivision (i) of Section 182.6 of, and subdivision (f) of Section 182.7 of, the Streets and Highways Code. The committee shall consider developing all of the following:

- (A) A report listing the data that would be required to provide necessary project accountability and tracking, including, but not limited to, requirements for specific project identification, budgeting, scheduling, milestone reporting, expenditures, and progress reports.
- (B) A report on the anticipated costs of building and operating the system.
  - (C) A description of an appropriate procurement process.
- (D) Any other information necessary for anticipating and effectively managing project delivery issues in an expeditious manner.
- (c) The committee shall examine the feasibility of developing a system designed to reflect the diverse constituency of agencies that may need access to the system, including, but not limited to, regional transportation planning agencies, self-help sales tax authorities, local cities and counties, transit districts, and other recipients of funds under the state transportation improvement program.
- (d) The committee shall consider one or more models for implementing the system in each county or region of the state. The model shall be appropriate for use in rural or urban districts.
- (e) The plan shall contain recommendations for improvements to the department's internal data management system that can be implemented in phases. The first phase of the plan shall include recommendations on ways to improve project tracking capability. The plan shall also provide for development by the department of protocols regarding input and maintenance of the management information system.

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(f) (1) Not later than March 31, 2000, the department shall submit to the Governor and the Legislature a progress report regarding current efforts by the department to improve its management information system capability and regarding development of the plan. The report shall include, but need not be limited to, an estimated completion date for the comprehensive data management system and a timetable for the interim steps that the department will take to provide the information necessary to satisfy the project monitoring requirements under Chapter 622 of the Statutes of 1997 and under the federal Transportation Equity Act for the 21st Century (Public Law 105-178) until the comprehensive data management system is operational.

- (2) Not later than October 1, 2000, a draft of the plan shall be circulated to interested parties for review and comment.
- (3) Not later than February 1, 2001, the committee shall submit the final plan to the Legislature.
- SEC. 3. Section 14529.01 of the Government Code is amended to read:
- 14529.01. (a) It is the intent of the Legislature to facilitate project development work on needed transportation projects to produce a steady flow of construction projects by adding an advance project development element to the state transportation improvement program, beginning with the 2000 State Transportation Improvement Program.
- (b) The advance project development element shall include only project development activities for projects that are eligible for inclusion in a state transportation improvement program.
- (c) The fund estimate for each state transportation improvement program shall designate an amount to be available for the advance project development element, which shall be not more than 25 percent of the programmable resources estimated to be available for the first and second years following the period of the state transportation improvement program, subject to the formulas in Sections 164, 188 and 188.8 of the Streets and Highways Code.
- (d) The department, transportation planning agencies, and county transportation commissions may nominate projects to the commission for inclusion in the advance project development element through submission of the regional transportation improvement program and the interregional transportation improvement program.

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(e) The funds programmed in the advance project development element may be allocated within the period of the state transportation improvement program without regard to fiscal year.

(f) Not later than September 1, 2002, the commission shall report to the Governor and the Legislature on the impact of adding the advance project development element described in subdivision (a) with the funding level described in subdivision (c). The report shall evaluate whether the element has proven effective in producing a steady, deliverable stream of projects and whether addition of the element has resulted in any detrimental effects on the state's transportation system.

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- (f) The commission may develop guidelines to implement this section.
- SEC. 4. Section 14529.15 of the Government Code is repealed. 14529.15. (a) The commission shall make a report to the Legislature on or before February 1, 1999, and on or before February 1, 2001, assessing the relative success of the provisions of Senate Bill 45, as enacted during the 1997–98 Regular Session, in achieving the Legislature's intent for reform of the state transportation improvement program, and assessing program delivery, expenditure of funds at both regional and statewide levels, and program performance.
- (b) The Legislature intends that the 1998 State Transportation Improvement Program conform with the requirements of Senate Bill 45, as enacted during the 1997–98 Regular Session, to the maximum degree feasible, taking into account the limited time allowed between enactment of that bill and adoption of that program. The commission shall comply fully with all procedures and requirements of Senate Bill 45, as enacted during the 1997–98 Regular Session, in the preparation and adoption of the subsequent state transportation improvement programs.
- (c) The 1998 State Transportation Improvement Program shall cover a period of six years as a transition into a four-year programming period.

SECTION 1.

- 37 SEC. 5. Section 64103 of the Government Code is amended 38 to read:
- 39 64103. (a) The authority shall consist of seven members, as 40 follows:

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1 (1) The Treasurer, who shall serve as the chair of the authority.

- 2 (2) The Director of Finance.
  - (3) The Controller.

- 4 (4) The Director of Transportation.
- 5 (5) The executive director of the commission.
  - (6) A local agency representative appointed by the Senate Committee on Rules.
  - (7) A local agency representative appointed by the Speaker of the Assembly.
  - (b) Members of the authority shall serve without compensation, but the authority may reimburse its members for necessary expenses incurred in the discharge of their duties.
  - (c) The Director of Finance may designate an employee of the Department of Finance to act for him or her at all meetings of the authority.
  - (d) The director of the department may designate an employee of the department to act for him or her at all meetings of the authority.
  - (e) The executive director of the commission may designate an employee of the commission to act for him or her at all meetings of the authority.
  - (f) The chair of the authority shall appoint an executive director. The offices of the authority shall be located in the office of the Treasurer. The authority may, by resolution, delegate to one or more of its members or its executive director or any employee of the authority such powers and duties that it may deem proper, including, but not limited to, the power to enter into contracts on behalf of the authority.
  - (g) Four members of the authority shall constitute a quorum. The affirmative vote of a majority of the members present at a duly constituted meeting of the authority shall be necessary for any action taken by the authority.
- 33 SEC. 6. Section 99170 of the Public Utilities Code is amended to read:
  - 99170. (a) No-A person shall *not* do any of the following with respect to the property, facilities, or vehicles of a transit district:
  - (1) Operate, interfere with, enter into, or climb on or in, the property, facilities, or vehicles owned or operated by the transit district without the permission or approval of the transit district.

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(2) Interfere with the operator or operation of a transit vehicle, or impede the safe boarding or alighting of passengers.

- (3) Extend any portion of the body through—any a window opening of a transit vehicle in a manner that may cause harm or injury.
  - (4) Throw-any a object from a transit vehicle.

- (5) Commit<del>-any</del> a act or engage in<del>-any</del> a behavior that may, with reasonable foreseeability, cause harm or injury to any person or property.
- (6) Violate a notice, prohibition, instruction, or direction on any a sign that is intended to provide for the safety and security of transit passengers, or the safe and secure operation of the transit system.
- (b) For purposes of this section, "transit district" means an entity that qualifies as a claimant, as defined in Section 99203, eligible to receive allocations under Chapter 4 (commencing with Section 99200).
- (c) A violation of this section is an infraction under Section 19.8 of the Penal Code punishable by a fine not exceeding seventy-five dollars (\$75), and—that a violation by a person after a second conviction is punishable by a fine not exceeding two hundred fifty dollars (\$250) or by community service that does not conflict with the violator's hours of school attendance or employment for a total time not to exceed 48 hours over a period not to exceed 60 days.
- (d) A transit district shall provide reasonable notification to the public of the activities prohibited by this section and the penalties for violations of those prohibitions.
- (e) This section does not prohibit any person from engaging in activities that are protected under the laws of the United States or of this state, including, but not limited to, picketing, demonstrating, or distributing handbills.
- (f) Transit districts shall maintain records of violations and the number of citations issued with respect to the actions prohibited under this section until January 1, 2005. The transit districts shall prepare a summary report of these actions and related findings with respect to the implementation and operation of this section and shall submit the report to the Legislature on or before January 1, 2006.
  - (g) No revenue

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(f) Revenue from fines imposed pursuant to subdivision (c) shall not be distributed or allocated to the transit agency issuing citations under this section. Fine revenue instead shall be allocated to the other entities eligible to receive those funds under existing law.

SEC. 2.

- SEC. 7. Section 1808.1 of the Vehicle Code is amended to read:
- 1808.1. (a) The prospective employer of a driver who drives a vehicle specified in subdivision (k) shall obtain a report showing the driver's current public record as recorded by the department. For purposes of this subdivision, a report is current if it was issued less than 30 days prior to the date the employer employs the driver. The report shall be reviewed, signed, and dated by the employer and maintained at the employer's place of business until receipt of the pull-notice system report pursuant to subdivisions (b) and (c). These reports shall be presented upon request to an authorized representative of the Department of the California Highway Patrol during regular business hours.
- (b) The employer of a driver who drives a vehicle specified in subdivision (k) shall participate in a pull-notice system, which is a process for the purpose of providing the employer with a report showing the driver's current public record as recorded by the department, and any subsequent convictions, failures to appear, accidents, driver's license suspensions, driver's license revocations, or any other actions taken against the driving privilege or certificate, added to the driver's record while the employer's notification request remains valid and uncancelled. As used in this section, participation in the pull-notice system means obtaining a requester code and enrolling all employed drivers who drive a vehicle specified in subdivision (k) under that requester code.
- (c) The employer of a driver of a vehicle specified in subdivision (k) shall, additionally, obtain a periodic report from the department at least every 12 months. The employer shall verify that each employee's driver's license has not been suspended or revoked, the employee's traffic violation point count, and whether the employee has been convicted of a violation of Section 23152 or 23153. The report shall be signed and dated by the employer and maintained at the employer's principal place of business. The report shall be presented upon demand to an authorized

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representative of the Department of the California Highway Patrol during regular business hours.

- (d) Upon the termination of a driver's employment, the employer shall notify the department to discontinue the driver's enrollment in the pull-notice system.
- (e) For the purposes of the pull-notice system and periodic report process required by subdivisions (b) and (c), an owner, other than an owner-operator as defined in Section 34624, and an employer who drives a vehicle described in subdivision (k) shall be enrolled as if he or she were an employee. A family member and a volunteer driver who drives a vehicle described in subdivision (k) shall also be enrolled as if he or she were an employee.
- (f) An employer who, after receiving a driving record pursuant to this section, employs or continues to employ as a driver a person against whom a disqualifying action has been taken regarding his or her driving privilege or required driver's certificate, is guilty of a public offense, and upon conviction thereof, shall be punished by confinement in a county jail for not more than six months, by a fine of not more than one thousand dollars (\$1,000), or by both that confinement and fine.
- (g) As part of its inspection of bus maintenance facilities and terminals required at least once every 13 months pursuant to subdivision (c) of Section 34501, the Department of the California Highway Patrol shall determine whether each transit operator, as defined in Section 99210 of the Public Utilities Code, is then in compliance with this section and Section 12804.6, and shall certify each operator found to be in compliance. Funds shall not be allocated pursuant to Chapter 4 (commencing with Section 99200) of Part 11 of Division 10 of the Public Utilities Code to a transit operator that the Department of the California Highway Patrol has not certified pursuant to this section.
- (h) A request to participate in the pull-notice system established by this section shall be accompanied by a fee determined by the department to be sufficient to defray the entire actual cost to the department for the notification service. For the receipt of subsequent reports, the employer shall also be charged a fee established by the department pursuant to Section 1811. An employer who qualifies pursuant to Section 1812 shall be exempt from any fee required pursuant to this section. Failure to pay the

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fee shall result in automatic cancellation of the employer's participation in the notification services.

- (i) The department, as soon as feasible, may establish an automatic procedure to provide the periodic reports to an employer by mail or via an electronic delivery method, as required by subdivision (c), on a regular basis without the need for individual requests.
- (j) (1) The employer of a driver who is employed as a casual driver is not required to enter that driver's name in the pull-notice system, as otherwise required by subdivision (a). However, the employer of a casual driver shall be in possession of a report of the driver's current public record as recorded by the department, prior to allowing a casual driver to drive a vehicle specified in subdivision (k). A report is current if it was issued less than six months prior to the date the employer employs the driver.
- (2) For the purposes of this subdivision, a driver is employed as a casual driver when the employer has employed the driver less than 30 days during the preceding six months. "Casual driver" does not include a driver who operates a vehicle that requires a passenger transportation endorsement.
- (k) This section applies to a vehicle for the operation of which the driver is required to have a class A or class B driver's license, a class C license with a hazardous materials endorsement, a class C license issued pursuant to Section 12814.7, or a certificate issued pursuant to Section 12517, 12519, 12520, 12523, 12523.5, or 12527 or a passenger vehicle having a seating capacity of not more than 10 persons, including the driver, operated for compensation by a charter-party carrier of passengers or passenger stage corporation pursuant to a certificate of public convenience and necessity or a permit issued by the Public Utilities Commission.
- (1) This section shall not be construed to change the definition of "employer," "employee," or "independent contractor" for any purpose.
- (m) A motor carrier who contracts with a person to drive a vehicle described in subdivision (k) that is owned by, or leased to, that motor carrier, shall be subject to subdivisions (a), (b), (c), (d), (f), (j), (k), and (l) and the employer obligations in those subdivisions.
- 39 SEC. 3.
- 40 SEC. 8. Section 5007 of the Vehicle Code is amended to read:

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5007. (a) The department shall, upon application and without additional fees, issue a special license plate or plates pursuant to procedures adopted by the department to the following:

(1) A disabled person.

- (2) A disabled veteran.
- (3) An organization or agency involved in the transportation of disabled persons or disabled veterans if the motor vehicle that will have the special license plate is used solely for the purpose of transporting those persons.
- (b) The special license plates issued under subdivision (a) shall run in a regular numerical series that shall include one or more unique two-letter codes reserved for disabled person license plates or disabled veteran license plates. The International Symbol of Access adopted pursuant to Section 3 of Public Law 100-641, commonly known as the "wheelchair symbol" shall be depicted on each plate.
- (c) (1) Prior to issuing a special license plate to a disabled person or disabled veteran, the department shall require the submission of a certificate, in accordance with paragraph (2), signed by the physician and surgeon, or to the extent that it does not cause a reduction in the receipt of federal aid highway funds, by a nurse practitioner, certified nurse midwife, or physician assistant, substantiating the disability, unless the applicant's disability is readily observable and uncontested. The disability of a person who has lost, or has lost use of, one or more lower extremities or one hand, for a disabled veteran, or both hands for a disabled person, or who has significant limitation in the use of lower extremities, may also be certified by a licensed chiropractor. The blindness of an applicant shall be certified by a licensed physician and surgeon who specializes in diseases of the eye or a licensed optometrist. The physician and surgeon, nurse practitioner, certified nurse midwife, physician assistant, chiropractor, or optometrist certifying the qualifying disability shall provide a full description of the illness or disability on the form submitted to the department.
- (2) The physician and surgeon, nurse practitioner, certified nurse midwife, physician assistant, chiropractor, or optometrist who signs a certificate submitted under this subdivision shall retain information sufficient to substantiate that certificate and, upon request of the department, shall make that information available

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for inspection by the Medical Board of California or the appropriate
regulatory board.
(d) A disabled person or disabled veteran issued a license plate

- (d) A disabled person or disabled veteran issued a license plate or plates under this section shall, upon request, present to a peace officer, or person authorized to enforce parking laws, ordinances, or regulations, a certification form that substantiates the eligibility of the disabled person or veteran to possess the plate or plates. The certification shall be on a form prescribed by the department and contain the name of the disabled person or disabled veteran to whom the plate or plates were issued, and the name, address, and telephone number of the medical professional described in subdivision (c) who certified the eligibility of the person or veteran for the plate or plates.
- (e) The certification requirements of subdivisions (c) and (d) do not apply to an organization or agency that is issued a special license plate or plates under paragraph (3) of subdivision (a).
- (f) The special license plate shall, upon the death of the disabled person or disabled veteran, be returned to the department within 60 days or upon the expiration of the vehicle registration, whichever occurs first.
- (g) When a motor vehicle subject to paragraph (3) of subdivision (a) is sold or transferred, the special license plate or plates issued to an organization or agency under paragraph (3) of subdivision (a) for that motor vehicle shall be immediately returned to the department.

SEC. 4.

SEC. 9. Section 5023 of the Vehicle Code is amended to read: 5023. (a) A person described in Section 5101 may also apply for a set of commemorative Olympic reflectorized license plates and the department shall issue those special license plates in lieu of regular license plates. The commemorative Olympic reflectorized license plates shall be of a distinctive design and shall be available in a special series of letters or numbers, or both, as determined by the department after consultation with the United States Olympic Committee. The department may issue the commemorative Olympic reflectorized license plates as environmental license plates, as defined in Section 5103, in a combination of numbers or letters, or both, as requested by the owner or lessee of the vehicle.

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(b) In addition to the regular fees for an original registration or renewal of registration, the following special fees shall be paid:

- (1) Fifty dollars (\$50), inclusive of any administrative fees, for the initial issuance of the special plates.
- (2) Fifteen dollars (\$15) for the transfer of the special plates to another vehicle.
- (3) Thirty-five dollars (\$35) for duplicate, replacement commemorative Olympic reflectorized license plates of the same number in the series.
- (4) Thirty dollars (\$30) for the annual renewal of the special plates.
- (c) When payment of renewal fees is not required as specified in Section 4000, or when the person determines to retain the plates upon sale, trade, or other release of the vehicle upon which the special plates have been displayed, the person shall notify the department and the person may retain the special plates.
- (d) All revenue derived from the additional special fees provided in this section, less costs incurred by the department pursuant to this section, shall be deposited in the California Olympic Training Account in the General Fund established pursuant to Section 7592 of the Government Code.

SEC. 5.

- SEC. 10. Section 5024 of the Vehicle Code is amended to read: 5024. (a) A person described in Section 5101 may also apply for a set of commemorative collegiate reflectorized license plates, and the department shall issue those special license plates in lieu of the regular license plates. The collegiate reflectorized plates shall be of a distinctive design, and shall be available in a special series of letters or numbers, or both, as determined by the department. The collegiate reflectorized plates shall also contain the name of the participating institution as well as the reflectorized logotype, motto, symbol, or other distinctive design, as approved by the department, representing the participating university or college selected by the applicant. The department may issue the commemorative collegiate reflectorized license plates environmental license plates, as defined in Section 5103, in a combination of numbers or letters, or both, as requested by the owner or lessee of the vehicle.
- (b) Any public or private postsecondary educational institution in the state, which is accredited or has been accepted as a

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recognized candidate for accreditation by the Western Association of Schools and Colleges, may indicate to the department its 3 decision to be included in the commemorative collegiate license 4 plate program and submit its distinctive design for the logotype, motto, symbol, or other design. However, no public or private postsecondary educational institution may be included in the 6 7 program until not less than 5,000 applications are received for license plates containing that institution's logotype, motto, symbol, or other design. Each participating institution shall collect and hold applications for collegiate license plates until it has received at 10 least 5,000 applications. Once the institution has received at least 11 12 5,000 applications, it shall submit the applications, along with the necessary fees, to the department. Upon receiving the first 13 14 application, the institution shall have one calendar year to receive 15 the remaining required applications. If, after that one calendar year, 5,000 applications have not been received, the institution 16 17 shall refund to all applicants any fees or deposits which have been 18 collected. 19

- (c) In addition to the regular fees for an original registration, a renewal of registration, or a transfer of registration, the following commemorative collegiate license plate fees shall be paid:
- (1) Fifty dollars (\$50) for the initial issuance of the plates. These plates shall be permanent and shall not be required to be replaced.
- (2) Forty dollars (\$40) for each renewal of registration which includes the continued display of the plates.
- (3) Fifteen dollars (\$15) for transfer of the plates to another vehicle.
- (4) Thirty-five dollars (\$35) for replacement plates, if the plates become damaged or unserviceable.
- (d) When payment of renewal fees is not required as specified in Section 4000, or when the person determines to retain the commemorative collegiate license plates upon sale, trade, or other release of the vehicle upon which the plates have been displayed, the person shall notify the department and the person may retain the plates.
- (e) Of the revenue derived from the additional special fees provided in this section, less costs incurred by the department pursuant to this section, one-half shall be deposited in the California Collegiate License Plate Fund, which is hereby created,

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and one-half shall be deposited in the Resources License Plate
Fund, which is hereby created.

- (f) The money in the California Collegiate License Plate Fund is, notwithstanding Section 13340 of the Government Code, continuously appropriated to the Controller for allocation as follows:
- (1) To the governing body of participating public institutions in the proportion that funds are collected on behalf of each, to be used for need-based scholarships, distributed according to federal student aid guidelines.
- (2) With respect to funds collected on behalf of accredited nonprofit, private, and independent colleges and universities in the state, to the California Student Aid Commission for grants to students at those institutions, in the proportion that funds are collected on behalf of each institution, who demonstrate eligibility and need in accordance with the Cal Grant Program pursuant to Article 3 (commencing with Section 69530) of Chapter 2 of Part 42 of the Education Code, but who did not receive an award based on a listing prepared by the California Student Aid Commission.
- (g) The scholarships and grants shall be awarded without regard to race, religion, creed, sex, or age.
- (h) The money in the Resources License Plate Fund is available, upon appropriation, for the purposes of natural resources preservation, enhancement, and restoration.
- (i) All revenues deposited in, and expenditures from, the California Collegiate License Plate Fund shall be audited by the Auditor General on December 1, 1993, and December 1, 1995.
- SEC. 11. Section 5060 of the Vehicle Code is amended to read: 5060. (a) An organization may apply to the department for participation in a special interest license plate program and the department shall issue special license plates for that program if the issuance of those plates is required by this article, the sponsoring organization complies with the requirements of this section, and the organization meets all of the following criteria:
- (1) Qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the Revenue and Taxation Code.
- (2) Submits a financial plan describing the purposes for which the revenues described in paragraph (2) of subdivision (e) will be used.

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(3) Submits a design of the organization's proposed special interest license plate that, among other things, provides for the placement of the number and letter characters in a manner that allows for law enforcement to readily identify those characters.

- (b) Any person described in Section 5101 may apply for special interest license plates, in lieu of the regular license plates.
- (c) The design criteria for a special interest license plate are as follows:
- (1) The license plate for a passenger vehicle, commercial vehicle, or trailer shall provide a space not larger than 2 inches by 3 inches to the left of the numerical series and a space not larger than five-eighths of an inch in height below the numerical series for a distinctive design, decal, or descriptive message as authorized by this article. The plates shall be issued in sequential numerical order or, pursuant to Section 5103, in a combination of numbers or letters.
- (2) Special interest license plates authorized under this article may be issued for use on a motorcycle. That license plate shall contain a five digit configuration issued in sequential numerical order or, pursuant to Section 5103, in a combination of numbers or letters. There shall be a space to the left of the numerical series for a distinctive design or decal and the characters shall contrast sharply with the uniform background color. No motorcycle plate containing a full plate graphic design is authorized. Those particular special interest license plates that were issued prior to the discontinuation provided by this paragraph may continue to be used and attached to the vehicle for which they were issued and may be renewed, retained, or transferred pursuant to this code.
- (d) (1) No-An organization—may shall not be included in the program until not less than 7,500 applications for the particular special interest license plates are received. Each organization shall collect and hold applications for the plates. Once the organization has received at least 7,500 applications, it shall submit the applications, along with the necessary fees, to the department. The department shall not issue any special interest license plate until an organization has received and submitted to the department not less than 7,500 applications for that particular special interest license plate within the time period prescribed in this section. Advanced payment to the department by an organization representing the department's estimated or actual administrative

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costs associated with the issuance of a particular special interest license plate shall not constitute compliance with this requirement. The organization shall have 12 months, following the effective date of the enactment of the specific legislation enabling the organization to participate in this program, to receive the required number of applications. If, after that 12 months, 7,500 applications have not been received, the organization shall immediately do either of the following:

(A) Refund to all applicants any fees or deposits that have been collected.

- (B) Contact the department to indicate the organization's intent to undertake collection of additional applications and fees or deposits for an additional period, not to exceed 12 months, in order to obtain the minimum 7,500 applications. If an organization elects to exercise the option under this paragraph, it shall contact each applicant who has submitted an application with the appropriate fees or deposits to determine if the applicant wishes a refund of fees or deposits or requests the continuance of the holding of the application and fees or deposits until that time that the organization has received 7,500 applications. The organization shall refund the fees or deposits to any applicant so requesting. In no event shall an organization collect and hold applications for a period exceeding 24 months following the date of authorization as described in paragraph (2) of subdivision (a).
- (C) Sequential plate fees shall be paid for the original issuance, renewal, retention, replacement, or transfer of the special interest license plate as determined by the organization and authorized by department's regulations. Those plates containing a personalized message are subject to the fees required pursuant to Sections 5106 and 5108 in addition to any fees required by the special interest license plate program.
- (2) (A) If the number of currently outstanding and valid special interest license plates in any particular program provided for in this article is less than 7,500, the department shall notify the sponsoring organization of that fact and shall inform the organization that if that number is less than 7,500 one year from the date of that notification, the department will no longer issue or replace those special interest license plates.
- (B) Those particular special interest license plates that were issued prior to the discontinuation provided by subparagraph (A)

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may continue to be used and attached to the vehicle for which they were issued and may be renewed, retained, or transferred pursuant to this code.

- (e) (1) The department shall deduct its costs to develop and administer the special interest license plate program from the revenues collected for the plates.
- (2) The department shall deposit the remaining revenues from the original issuance, renewal, retention, replacement, or transfer of the special interest license plate in a fund which shall be established by the Controller.
- (f) When payment of renewal fees is not required as specified in Section 4000, or when a person determines to retain the special interest license plate upon a sale, trade, or other release of the vehicle upon which the plate has been displayed, the person shall notify the department and the person may retain and use the plate as authorized by department regulations.
- (g) An organization that is eligible to participate in a special interest license plate program pursuant to this article and receives funds from the additional fees collected from the sale of special license plates shall not expend annually more than 25 percent of those funds on administrative costs, marketing, or other promotional activities associated with encouraging application for, or renewal of, the special license plates.
- (h) (1) Every organization authorized under this article to offer special interest license plates shall prepare and submit an annual accounting report to the department by June 30. The report shall include an accounting of all revenues and expenditures associated with the special interest license plate program.
- (2) If an organization submits a report pursuant to paragraph (1) indicating that the organization violated the expenditure restriction set forth in subdivision (g), the department shall immediately cease depositing fees in the fund created by the Controller for that organization under paragraph (2) of subdivision (e) and, instead, shall deposit those fees that would have otherwise been deposited in that fund in a separate fund created by the Controller, which fund is subject to appropriation by the Legislature. The department shall immediately notify the organization of this course of action. The depositing of funds in the account established pursuant to this paragraph shall continue until the organization demonstrates to the satisfaction of the

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1 department that the organization is in compliance or will comply 2 with the requirements of subdivision (g). If one year from the date 3 that the organization receives the notice described in this paragraph, 4 the organization is still unable to satisfactorily demonstrate to the 5 department that it is in compliance or will comply with the 6 requirements of subdivision (g), the department shall no longer 7 issue or replace those special interest license plates associated with that organization. Those particular special interest license plates 8 that were issued prior to the discontinuation provided by this 10 paragraph may continue to be used and attached to the vehicle for 11 which they were issued and may be renewed, retained, or 12 transferred pursuant to this code.

(3) Upon receiving the reports required under paragraph (1), the department shall prepare and transmit an annual consolidated report to the Legislature containing the revenue and expenditure data.

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- SEC. 12. Section 5160 of the Vehicle Code is amended to read: 5160. (a) A state agency authorized under this article to offer specialized license plates shall prepare and submit an annual accounting report to the department by June 30. The report shall include an accounting of all revenues and expenditures associated with the specialized license plate program.
- (b) If a state agency submits a report pursuant to subdivision (a) indicating that the agency violated the expenditure restriction set forth in Section 5159, the department shall immediately cease depositing fees for that agency's specialized license plate program in the Specialized License Plate Fund established under Section 5157 and, instead, shall deposit those fees that would have otherwise been deposited in that fund in a separate fund created by the Controller, which fund is subject to appropriation by the Legislature. The department shall immediately notify the agency of this course of action. The depositing of funds in the account established pursuant to this subdivision shall continue until the agency demonstrates to the satisfaction of the department that the agency is in compliance or will comply with the requirements of Section 5159. If one year from the date that the agency receives the notice described in this subdivision, the agency is still unable to satisfactorily demonstrate to the department that it is in compliance or will comply with Section 5159, the department shall no longer issue or replace those specialized license plates associated

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with that agency. Those particular specialized license plates that were issued prior to the discontinuation provided by this subdivision may continue to be used and attached to the vehicle for which they were issued and may be renewed, retained, or transferred pursuant to this code.

(e) Upon receiving the reports required under subdivision (a), notwithstanding Section 7550.5 of the Government Code, the department shall prepare and transmit an annual consolidated report to the Legislature containing the revenue and expenditure data.

SEC. 6.

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- SEC. 13. Section 8202 of the Vehicle Code is amended to read: 8202. (a) Within 30 days of the date the notice is mailed pursuant to Section 8201, the registrant may submit documentation not previously available or may request a hearing to contest the existence or the amount of the lien. If no additional documentation is submitted, or if no hearing is requested, the operating privileges of the fleet may be suspended or canceled and a sufficient number of vehicles may be seized and sold to satisfy the lien.
- (b) If additional documentation is submitted, the department shall review the documentation and issue its findings to the registrant. Within 30 days of the date the findings are mailed, the registrant may request a hearing.
- (c) If a hearing is requested, 10 days' notice shall be given of the time and place of the hearing, which shall be held within the county of residence of the person requesting the hearing or within the county of the established place of business of the registrant. The hearing shall be conducted by a referee who shall submit findings and recommendations to the director or his or her authorized representative, who shall decide the matter. The decision shall be effective on notice thereof to the interested parties. However, the director, or his or her authorized representative, may rescind the decision and reconsider the matter for good cause shown at any time within three years after the date the disputed fee or penalty first became due, or one year from the hearing whichever is later.
- (d) Upon final completion of all administrative appeals, the department shall give written notice to the registrant of the right to a review of the decision by a court of competent jurisdiction. Any action brought in court shall be commenced within 90 days

40 from the date notice of the decision is mailed. -23- AB 2777

SEC. 7.

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SEC. 14. Section 22511.5 of the Vehicle Code is amended to read:

- 22511.5. (a) (1) A disabled person or disabled veteran displaying special license plates issued under Section 5007 or a distinguishing placard issued under Section 22511.55 or 22511.59 is allowed to park for unlimited periods in any of the following zones:
- (A) In any restricted zone described in paragraph (5) of subdivision (a) of Section 21458 or on streets upon which preferential parking privileges and height limits have been given pursuant to Section 22507.
- (B) In any parking zone that is restricted as to the length of time parking is permitted as indicated by a sign erected pursuant to a local ordinance.
- (2) A disabled person or disabled veteran is allowed to park in any metered parking space without being required to pay parking meter fees.
- (3) This subdivision does not apply to a zone for which state law or ordinance absolutely prohibits stopping, parking, or standing of all vehicles, or which the law or ordinance reserves for special types of vehicles, or to the parking of a vehicle that is involved in the operation of a street vending business.
- (b) A disabled person or disabled veteran is allowed to park a motor vehicle displaying a special disabled person license plate or placard issued by a foreign jurisdiction with the same parking privileges authorized in this code for any motor vehicle displaying a special license plate or a distinguishing placard issued by the Department of Motor Vehicles.